GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:828
ANSWERED ON:05.03.2007
DAIRY POULTRY VENTURE CAPITAL FUND SCHEME
Sugavanam Shri E.G.

Will the Minister of AGRICULTURE be pleased to state:

(a) the features of the Dairy/Poultry Venture Capital Fund Scheme; and

(b) the extent to which it is likely to be helpful to the farmers?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI TASLIMUDDIN)

(a): Dairy/Poultry Venture Capital Fund is a Central Sector Plan Scheme being implemented through NABARD. The beneficiary is required to prepare the bankable project and submit it to the banks, identified by NABARD throughout the country, for seeking assistance under the scheme. The pattern of financial assistance under the scheme is as follows:-

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i) Entrepreneur`s contribution  10%
ii) Interest free loan from revolving 50%
 fund provided by GOI
iii) Bank loan at interest applicable 40%
 for agricultural activities
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Government of India subsidizes the interest component to the extent of 50%, only in cases of regular/timely repayment of loan by the beneficiary.

(b): The effective rate of interest on the loan taken by the farmers under the scheme, works out cheaper than the normal rate of interest for agricultural activities.